

Parry S, Mallett O. [Motivation for later-life entrepreneurship: an examination of 'privileged entrepreneurs'](#). In: *Institute for Small Business and Entrepreneurship Conference*. 2016, Paris, France.

Copyright:

This is the author's manuscript of a paper presented at ISBE Conference, held 27th-28th October in Paris, France.

Link to conference:

<http://isbe.org.uk/conference-2016/m>

Date deposited:

05/12/2016



This work is licensed under a [Creative Commons Attribution-NonCommercial 3.0 Unported License](#)

Motivation for later-life entrepreneurship: an examination of 'privileged entrepreneurs'

Simon Parry & Oliver Mallett
Newcastle University Business School
5 Barrack Road, Newcastle upon Tyne. NE1 4SE
Contact: simon.parry@ncl.ac.uk

Abstract:

This paper examines the motivation behind a later-life move into entrepreneurship by individuals who have pursued a successful career in employed work into their 50s. Prior research has found that the effect of age on the probability of engaging in some form of entrepreneurship follows an inverse U shape. Probability increases with age up to the 35 to 45 year old range after which it decreases. Existing theory has explained this age effect in terms of the opportunity cost of time: as an individual gets older, they become less willing to invest energy in activities such as founding a new business, which involve both risk and deferred financial returns. Since time is a relatively more scarce resource the older you become, then older individuals attach a higher discount rate to the stream of future rewards from entrepreneurship than do younger people.

By looking at a particular category of what we call '*privileged entrepreneurs*', we challenge theory that is built upon the presumption of a motivation that is future oriented. If the entrepreneur's motivation is one of self-actuation, fulfilment with work, happiness and a sense of doing something worthwhile, the reward is more immediate and does not necessarily involve deferred gratification. If there is a sense that 'time is running out' in the older nascent entrepreneur, the present-oriented reward of fulfilment will be more attractive than a future-oriented financial one.

The paper is built upon in-depth semi-structured interviews with three individuals who pursued successful careers into their fifties before deciding to move from full-time employment to start their own businesses. Through an exploration of the individuals' background and experience, their motivation for starting their own business, their choice of business and their experiences as entrepreneurs, we build a rich picture of the motivational drivers of '*privileged entrepreneurs*'.

The study reveals that personal circumstances which can come as a result of a successful career can open opportunities for the individual to consider work that they find more fulfilling, rather than purely financially rewarding. As a consequence, the motivation which drives work choices can shift from financially focused deficiency needs to growth needs such as personal fulfilment and self-actualisation. Individuals who have been unable to satisfy these growth needs through employed work use their financially privileged position, networks and experience gained from their employed work to turn to self-employment as an alternative.

Our findings provide new insights into the motivations of an important group of senior entrepreneurs: those who are in the privileged position of choosing personally fulfilling entrepreneurial activity. The insights from this study have implications for the development of more finely tuned policies and support mechanisms that recognise the heterogeneous range of motivations, needs and goals of older entrepreneurs. It adds to our understanding of entrepreneurial motivation in terms of the broader and more subjective motivations that lie beyond purely financial reward. The study also has implications for employers in terms of better understanding of why they are losing valuable older employees because of a lack of personal fulfilment.

Introduction

This paper sets out preliminary findings from an in-depth examination of the motivations involved in a later-life move into entrepreneurship by three very different individuals, all of whom left employed work to start their own business when over the age of 50. The paper explores how entrepreneurship can become a vehicle for self-actualisation for the individual who has found financial success but not personal fulfilment in their employed career.

The paper explores how personal circumstances which can come as a result of a successful career can open opportunities for the individual to consider work that they find more fulfilling, rather than purely financially rewarding. As a consequence, the motivation which drives work choices can shift from financially focused deficiency needs to growth needs such as personal fulfilment and self-actualisation. The paper explores how individuals who have been unable to satisfy these growth needs through employed work use their financially privileged position and experience to turn to self-employment as an alternative.

Although entrepreneurial motivation has been widely examined, relatively few studies have focused specifically on the 50+ age group of 'senior' entrepreneurs. Historically this group has been at the margin of entrepreneurial demographics. Peak age for first-time entrepreneurship is 35 to 45, after which the probability of an individual becoming an entrepreneur decreases (Levesque and Minniti, 2006; Parker, 2009). New entry into entrepreneurship has been particularly low among individuals after the age of 50 with a rapid drop-off after the age of 60 (Botham and Graves, 2009).

However, entrepreneurship in this 50+ age group is becoming increasingly economically and socially important (Curran and Blackburn, 2001). Population aging is recognised as one of the most significant demographic issues facing Western economies: an increasing proportion of the 50+ age group have the financial independence to retire, but are in good health and face life expectancy of up to another 30 years. For such individuals, self-employment becomes a viable option as a 'bridge' (Kerr and Armstrong-Stassen, 2011) between employment and full retirement. Within this context, the willingness of older individuals to continue working, even when they have the financial independence to enable them to retire, is a valuable societal resource. Those who continue to work will be claiming the minimum retirement benefits from the state and paying more in taxes. In the UK for example, it has been suggested that encouraging the 50-65 age group back into economic activity could boost the economy by as much as £88 billion (PRIME, 2014).

Within this context, there has been increased interest in entrepreneurial motivation in this 50+ age group. While it is recognised that entrepreneurial motivation can be complex and multi-dimensional (Wach *et al.*, 2015), the literature categorises motives into 'push' and 'pull' drivers which focus on necessity versus opportunity (Carsrud and Brannback, 2011) and it is the former set of drivers that have attracted the most attention from researchers looking at older entrepreneurs. Prior studies have looked at how older employees are being pushed out of the labour market by displacement factors

such as redundancy (Beehr and Bennet, 2015), age discrimination, and a lack of attractive employment options (Hennekam, 2015; Platman, 2004; Chiu *et al.*, 2001). This can lead to a financial imperative to continue working, with entrepreneurship often being a last and involuntary choice (Kautonen *et al.*, 2008). There has therefore been recognition of a category of *reluctant* or *accidental* entrepreneurs (Kautonen *et al.*, 2014) as being a significant presence in the 50+ age group. Such entrepreneurs are not running towards entrepreneurship, but rather away from a lack of alternatives (Mallett and Wapshott, 2015). To this taxonomy we suggest a further category of *privileged* entrepreneur. Such individuals can also be seen as running away, not out of economic necessity, but rather from a lack of self-fulfilment from their employed work. For those individuals with a successful career behind them, a strong financial imperative may not be present. For such individuals the pursuit of financial gain may not be a sufficient motivation, and they will be seeking to fulfil other personal goals. (Wach *et al.*, 2015; Green *et al.*, 2003). Indeed, it has been recognised that some so called 'lifestyle' entrepreneurs pursue a range of goals as an alternative to financial reward (Parry, 2010)

It is suggested that the opportunity to start a business can increase with age, because key entrepreneurial resources such as financial capital, social capital, industry knowledge, and professional experience all increase with age (Henley, 2007; Weber and Schaper, 2004; Singh and DeNoble, 2003). However, the evidence is that entrepreneurial activity does not increase in the 50+ age group, but rather decreases ((Levesque and Minniti, 2006; Parker, 2009). One reason for this may be that employees' entrepreneurial intention falls as they get older (Hatak *et al.*, 2015). This would suggest that older employees with financial independence will have low motivation to become self-employed. However, Hatak *et al.*'s study also found that low entrepreneurial intention in older employees was particularly linked to high job identification. This implies that low satisfaction from employed work will result in a higher level of entrepreneurial intention. There is therefore a need to look more closely at issues of (un)happiness and lack of job satisfaction, particularly in that group who have the financial independence to move straight from employment to full retirement.

No previous study has differentiated and focused specifically on this category of senior entrepreneur, despite this group potentially being the most important in terms of the demographic shift in the working population. By focusing specifically on this group and using detailed case studies, this study seeks to establish a more nuanced understanding of the motivations and challenges of such 'privileged' older entrepreneurs that will inform future policy development, support mechanisms and academic research agendas. Before considering entrepreneurship amongst this age group it is important to establish the context of working life for older people.

Working lives of older individuals

As the adult populations of the world's large economies age and lifespan is extended amidst significant shortfalls in pension funds (see for example Dini, 2009), many people are working longer (Ekerdt, 2010). As the recent trend towards early retirement is therefore reversed (McNair, 2010), a reorientation of attitudes towards the labour of older people will be required. At present, many

older workers are frequently excluded from work altogether or moved into relatively low-skill jobs that contain little scope for financial and other rewards (Riach, 2007). These trends find legitimacy in the 'deficit model' (Loretto and White, 2006), which suggests that older workers deteriorate with age, or are past a perceived prime working age. In opposition to this idea, much of the academic literature has focussed on the structural impediments for older workers. However, we suggest that this has been at the expense of a more agential approach that stresses the situation for individual action.

Those individuals older than the standard retirement age but still practising an occupation stand to radically reinvent assumptions about rigid thresholds derived from the socially constructed nature of 'retirement' (Ekerdt, 2010; Phillipson, 1982). In many wealthy economies improvements in health, longevity and the transitions from physical labour to sedentary, white-collar work may permit people to work beyond traditional limits imposed by physical change (McNair, 2010). However, despite the practical possibility and availability of a willing older workforce, employers resistant to engaging or retaining these workers will limit the prospects for this form of employment (Johnson, 2009) leaving many older people 'too old to work and too young to die' (Freedman, 2007: 43). Previous forms of equal opportunities legislation, for example, have demonstrated that legal enforcement is not the only solution and may simply prompt superficial compliance and quota filling (Neumark, 2009; Wood *et al.*, 2008).

Amidst the huge influence of financial and institutional factors (Gould, 2006), agential aspiration is shaped by what is accessible for 'people like us', it is governed by social norms and perceived legitimacy (Mallett and Wapshott, 2015). However, the focus on age in this paper is not to suggest a homogeneous grouping of workers or to discount other factors and intersectionality. We do not suggest the discounting of other social and demographic factors that have been considered in the broader literature on entrepreneurship (Ogbor, 2000) or older workers more generally such as gender (Loretto & Vickerstaff, 2011), class (Phillipson, 1982), ethnicity (McNair, 2010) or occupational background and qualifications (Gould, 2006). For example, there may be gender imbalances around issues such as the caring roles disproportionately fulfilled by women and impacting on their ability to start up a business (Kibler *et al.*, 2011). Nonetheless, this paper focuses on age as a distinct form of discrimination with implications for pursuing entrepreneurship in the later stages of working life.

Entrepreneurship and older individuals

The transition to retirement is best considered as not being a discrete event but as a complex process (Zissimopoulos and Karoly, 2009). For the individual who has spent their working life in employed work there are three potential trajectories on the route between employment and full retirement: move straight to retirement; engage in temporary or part-time work (often termed "bridge employment"); or engage in some sort of self-employed work (Van Solinge, 2014). Figures show that an increasing number of older individuals are now choosing to engage in some form of transitional work between their career employment and complete retirement (Wang *et al.*, 2008). A study in the US

suggests that this applies to up to 60% of older workers (Cahill *et al.*, 2006). The number of people starting their own business in later life has increased considerably in recent years and demographic trends suggest that numbers may increase even further in the future. Running one's own business provides flexibility and for many is a more attractive alternative to full employment or working for others (Zissimopoulos and Karoly, 2007).

In contrast with younger potential entrepreneurs, some older entrepreneurs may be relatively freed of the constraints associated with life events such as raising a family that can bring a need for security, tempering risk-taking entrepreneurial instincts. This sense of unconstrained stability combines with accumulated wealth, experience and social capital that can be invested in business ventures (Kautonen, 2008; Singh and DeNoble, 2003). Perhaps as a result, age has been recognised as one of the most important determinants of entrepreneurship and self-employment (Parker, 2009). However, this is not to suggest that older people do not face barriers, risks of failure and unemployment (Kibler *et al.*, 2011; Mallett and Wapshott, 2015), those with fewer (relevant) resources and skills (Curran & Blackburn, 2001; Phillipson, 1982), institutional barriers such as ageism (Kibler *et al.*, 2011; Mallett and Wapshott, 2015) and difficulties in locating or identifying support such as mentors (Kibler *et al.*, 2011; Wainwright *et al.*, 2011).

Prior research has found that the effect of age on the probability of engaging in some form of entrepreneurship follows an inverse U shape. The probability of an individual becoming an entrepreneur increases with age up to the 35 to 45 year old range after which it decreases (Levesque and Minniti, 2006; Parker, 2009). This means that new entry into entrepreneurship will be lower among individuals after the age of 50 with a rapid drop-off after the age of 60 (Botham and Graves, 2009). Levesque and Minniti (2006) explain this age effect in terms of the opportunity cost of time. They argue that as an individual gets older, they become less willing to invest energy in activities such as founding a new business, which involve both risk and deferred gratification (in terms of not producing instant financial returns). Since time is a relatively more scarce resource the older you become, then older individuals attach a higher discount rate to the stream of future rewards from entrepreneurship than do younger people. Unlike wages, which are realised in the present, the returns from starting a business are realised in the future. This implies an opportunity cost varying with age. Put simply, the financial incentive to start a new business falls as you get older. This theory is corroborated by evidence from other studies looking at "nascent" entrepreneurs, i.e. those individuals who are taking steps, but have not yet started a business. In a 2005 study, the Panel Study of Entrepreneurial Dynamics (PSED) found that the peak age of nascent entrepreneurs was 25 to 35.

However, this theory risks compounding the socially constructed age of retirement and the deficit model of ageing. Older workers are not a homogeneous group and an individual older entrepreneur may feel they have a significant period of time ahead in which to develop their business. Further, the theory is built upon the presumption of financial motivation that is future oriented. If the entrepreneur's motivation is one of self-actuation, fulfilment with

work, happiness and a sense of doing something worthwhile, the reward is more immediate and does not necessarily involve deferred gratification. It is oriented towards the present rather than the future. If there is a sense that 'time is running out' in the older nascent entrepreneur, the present-oriented reward of fulfilment will be more attractive than a future-oriented financial one.

Kautonen *et al.* (2014), suggest that the inverse U-shaped age effect applies only to certain types of business. They divide later-life entrepreneurs into three categories and suggest that the increased opportunity cost applies only to the first category. Their three categories are: "owner-manager", the individual who seeks to own and run a business and invest in it; "self-employer", the individual who aspires to become an own-account worker, but who does not anticipate hiring employees; and "reluctant entrepreneur", the individual who is pushed towards self-employment but who would prefer salaried employment. This suggests a more nuanced approach to the motivations and experiences of older entrepreneurs.

In this paper we explore the motivations of older entrepreneurs through three detailed case studies in order to generate new insights into these debates.

Method

This paper looks at three individuals who pursued successful careers as employees into their fifties before deciding to move from full-time employment to start their own business. The study participants were identified through contacts or referrals and were all based in the North East of the UK. The sampling of participants was purposive, in that individuals were selected on the basis that they had voluntarily left paid full-time employment during their 50s in order to start their own businesses.

A narrative approach was adopted as being the most suitable for deepening our understanding of entrepreneurial motivation (Polkinghorne, 1988; Clarke and Holt, 2010) and the subjective experiences of the participants (Bruner, 1990). Data was collected through in-depth semi-structured interviews, an approach which allowed distinct narratives to freely emerge whilst still guiding the participants within the parameters of the study.

In order to allow participants' narratives to develop as freely as possible, and to build a rich picture of the motivational drivers of 'privileged entrepreneurship', questions from the interviewer were kept to a minimum and were designed to focus attention on the individuals' background and experience, their incentive for starting their own business, their choice of business and their experiences as entrepreneurs. Real names have been changed to preserve anonymity, and some business details have been obscured. The following is a brief sketch of each interviewee:

Jenny

Jenny is 59 years old and started her business as a workplace counsellor and life coach three years ago when she was 56. Jenny is single and has so far been financially unable to give up her well-paid employed work as a sales representative, but has cut her hours in order to build up her own business. She

plans to leave her job to concentrate full-time on her business within the next 12 months.

Peter

Peter is 67 years old and started his business 10 years ago when he was 57. After leaving university Peter went into management in a large international company and subsequently held senior positions in a number of large businesses. At age 57 Peter decided to leave the corporate board room and set up independently as a management consultant. He works alone as a 'self-employer'.

Ruth

Ruth is 59 years old. She started her business just under a year ago when she was 58. Prior to that Ruth worked in an administration role in local government. After a long service she was able to take early retirement with a good pension and a large lump sum. She used the lump sum to purchase a retail property from which she now runs an antique shop. Ruth works alone as a 'self-employer' with occasional assistance from her daughter. Her husband still works full-time in a well-paid job.

The interviews were recorded and transcribed. Analysis was conducted through two progressive phases. Firstly, the interview recordings were repeatedly replayed and the transcriptions read in order to familiarise the researchers with the data. During these readings the broad themes of the participant's narrative were identified (Riessman, 2008). This thematic reading used the concept of *discursive constructions* (Potter and Wetherell, 1987) to focus upon the constructions of meaning that occurred around the motivational drivers of entrepreneurial activity. A second phase of analysis looked at how the issue of age entered into the narratives and in particular, how the interviewees positioned themselves in terms of their age.

Gough and Edwards (1998:414) suggest that: "*In a post-modern age there is a multiplicity of perspectives and representations from which an individual can forge an identity at any one time*". This phase of analysis therefore concentrated on how the interviewees' constructions of entrepreneurial activity and of age place them and others in certain positions within the storyline of their narrative. As with the previous level of analysis, this was approached largely as a matter of repeated reading and familiarity with the transcripts. In this case, the emphasis was on what the statements made by the interviewee said about who they are, in relation to others. This approach to *subject positioning* (Davies and Harré, 1991) revolved around the questions of why the interviewee chose to say something in a particular way (Willig, 2003) and the implications of that choice. The analysis presented below does not explicitly set out this full analysis process but rather highlights the key issues that emerged from that analysis.

Findings

The financial position of the three interviewees differed at the point they set up their own businesses. Peter had substantial savings after years in senior management; Ruth had taken early retirement with a large lump sum and a

comfortable pension; Jenny, on the other hand, was still financially dependent on her paid employment. Despite her situation, Jenny was clear that her motivation was personal fulfilment rather than purely financial:

Jenny: And so not just financially but also because of what I believed could actually change people's lives, but also to do something that satisfied me, and to dig my escape tunnel from the corporate world really..[]. So really that is what drove me, and the fact that I just feel so passionately about it.

This theme of following a passion reoccurred throughout the interview with Jenny:

Jenny: I just felt... I felt so strongly about it. I thought that if I get run over by a bus tomorrow and I hadn't tried it, I would always regret it from the grave.

These quotes show that Jenny's motivation for starting her own business was one of personal fulfilment rather than financial reward. In fact, she had a very well paid job which gave her a great deal of flexibility (enough flexibility to start a business whilst continuing in that job). Despite the security, flexibility and financial reward of her job, Jenny repeatedly talked about the need to 'escape' and realize her passion.

All three interviewees talked about escape from their previous employed work, and how this was driven by the need for something beyond purely financial reward. This was expressed as escape from boredom, frustration or lack of personal fulfilment. For Peter, the motivation was to escape from the restrictions of the corporate framework and to be able to do things the way he felt they should be done:

Peter: I tried one more time to be an employee with a public authority type organisation..[.].and I just fell out. I just couldn't do it and I look back on it and I think I became too big for my boots. I knew too much and I'd done too much and I just didn't have the patience to live with the way things were done

Jenny spoke about dissatisfaction and lack of personal fulfilment:

Jenny: probably I've come at life a bit backwards and I've only just started to realise in the last ten years what it is that I really want to do when I grow up, and was pretty much dissatisfied with the corporation that I work for.

Ruth spoke about the need for 'reward' beyond the purely financial:

Ruth: I get loads of compliments, which when you work in an office you don't get a lot of rewards apart from monetary reward of your job. People just expect that of you. But when people come in and you get good reviews on the Facebook page, that's great because people really do appreciate..[.]. it's those sorts of rewards, those sorts of comments that make me feel good about it.

All three interviewees acknowledged that this turn towards personal fulfilment was something that had come with age. This was a combination of a better self-understanding gained through life experience, and the privilege that comes through financial security to be able to pursue personal fulfilment at the cost of financial reward. Crucially, it is that financial position which creates the opportunity:

Ruth: I think over the years I've always wanted to start my own business. I've done flower arranging and I've done car boot sales and I've done decoupage pictures, I've done Tupperware years ago. I've always had a bit of a dabble in running a side business if you know what I mean. And this was a good opportunity. I thought, I'll give it a go.

The interviewees were very self-aware about their privileged financial position. This was expressed both in terms of opportunity, but also in terms of removing or reducing risk:

Peter: So, if you work in the corporate sector at a senior level you've probably got a good income, you know, and you've got bonuses and share options and pensions and all sorts of things. [...] I did have enough behind me so if I didn't work at all for two years or something, or three years, I'd be fine.

Even Jenny, who was in the least secure position in terms of financial independence, saw her situation as one that reduced the risks of business start-up.

Jenny: I just thought, 'just do it, just do it'. If it doesn't work, I was in a very fortunate position that I had a full time job, still have so I'm very fortunate that I had a backstop there.

Therefore, financial capital, as well as opening entrepreneurial opportunity, reduces or even removes one of the biggest risks for a newly self-employed, which is the move from regular guaranteed wage or salary to uncertain and irregular profits. Ruth was quite clear that it was the removal of this risk that had enabled her to start in business for herself:

Ruth: I never had the money to start it off. Didn't really know how to. Always needed the income coming in from both of our wages, sometimes my husband would lose his job and it would be my wage that was coming in. Three girls to bring up. Never, ever could take the risk. But there was no risk involved when I started the business this time because I got a lump sum

The imperative of age

Levesque and Minniti (2006) suggest that entrepreneurial motivation falls with age because the deferred gratification of entrepreneurship (forgoing a wage now for profits later) is impacted by the opportunity cost of time. However, this model assumes that motivation is financial. For our 'privileged' entrepreneurs the primary motivation was personal fulfilment and self-actualisation. We found that, although the financial rewards of starting a business may be future-oriented as suggested by Levesque and Minniti (2006), the personal fulfilment rewards are more immediate or present-oriented.

Jenny: People look at people of my age and think, 'oh she should be taking her foot off the pedal now and kicking back'. I said, for me, it refocuses the mind. It makes you think, what if I've only got five years? What if I've only got ten years? What if bits fall off me? Let's get this done.

Jenny's talk of hypothetical others suggests social-constructed ideas of aging and retirement rather than her own health or circumstances. However, rather than dissuading her from her entrepreneurial goals it acts as a spur to action. Furthermore, amongst our participants the notion of risk, which may act as a disincentive to entrepreneurial action, is replaced by regret, which also acts as a positive incentive:

Jenny: Don't sit and wait for it to come to you... if you're driven to do something that will fulfil you, go for it. Don't regret it, don't get to 60-65 and think, 'oh I could have done this'. Try it. Just try it.

When it comes to the personal fulfilment benefits of entrepreneurship, age does appear to be important in how our participants make sense of their careers and their entrepreneurial ventures. However, in fighting to overcome discrimination and seeking new opportunities, age creates an imperative to act rather than to delay. The opportunity cost of time is reversed and the sense that 'time is running out' is actually an incentive to act.

Impact on the type of business started

The drive for personally fulfilling work not only impacted on the type of business started but also on the way the business has developed. Jenny started her business with a vision of spending her time on one-on-one personal coaching. However, in order to achieve the income levels necessary for her to give up her employed work, she recognized that she also needed to take on more lucrative corporate work:

Jenny: whilst my heart will always be with individual clients, if [corporate work] keeps me in the financial comfortable zone, then I can really concentrate on the bit that really fulfils me... So I've kind of pulled back a bit from [one-on-one counselling] because I need it to benefit me more than anybody else. I have to be very clear about that, it's a business.

Peter started his business with more ambitious financial plans which would have involved taking on employees and expanding his client base. However, when he found that this was not meeting his needs for personal fulfilment he changed his approach, even though he recognized that this had negative financial repercussions:

Peter: I didn't have the aggression to do the marketing at that level ... and the second thing was that the telephone type approach ... didn't appeal to me. It wasn't adequate, you couldn't give enough to the client and enable the client to understand the situation properly so without consciously doing it, I steered away from that and went for a much more personal service, which in business terms is a mistake.

In this way, their approach to their businesses are akin to that of 'lifestyle entrepreneurs' who engage in self-employment to reach personal goals other than business growth (Parry, 2010). For these privileged entrepreneurs, the personal goals tended to be more focused on self-actualisation and personal fulfillment than economic drivers, although this is not to entirely discount financial considerations.

Leveraging the entrepreneurial resources of age

The importance of financial capital to the business start-up has already been discussed above. However, the interviewees also acknowledged the importance of accumulated experience, not just in enabling the start-up, but also in contributing to their success. They talked about having more 'focus', 'savvy' and 'a strong work ethic' as a result of their experiences across their careers.

Although the interviewees talked about their desires to escape from their previous employed work, they acknowledged the skills and experience that they had gained from employment that had acted as a spring-board for their departure into self-employment:

Jenny: So in many ways, whilst I would like to escape from the day job, I'm very fortunate that it's taught me a lot of things.

Experience and age not only contributed to the entrepreneurs' attitude and business skills, but it also impacted on the attitude of others in their business dealings. The interviewees expressed how their experience provided them with a level of credibility that only comes with age:

Peter: the advantages of doing it that late are that you've got lots behind you, you've got lots of experience, you've got some knowledge, you can sell the things you've done in the past fairly credibly to people.

This issue of credibility of age was also flaunted as an ageism directed at their younger competitors:

Jenny: it sounds so ageist but I'm not 25 coming straight out of college with some [...] degree, nothing wrong with that but when people come to see me they feel as if I know what I'm talking about.

Comments like this can be seen as a fight back against ageism directed at older people, of which all the interviewees were very conscious. As well as extolling the virtues of age, they also made defensive comments against what they saw as some of the ageism to which they were subject.

Jenny: But I also think that there certainly is a stigma about age and as you've probably gathered, I'm just as bad as everybody else that you do think about age and people do think, 'she'll never make it at this late stage'. Why is she even trying?

Ruth: I try to make excuses for my age because I don't want them to think that I'm old and I've got old ideas, but I've got young ideas as well.

Whilst defending themselves against ageism, the interviewees were also willing to admit some of the disadvantages of starting a business later in life. The

negatives were largely expressed in terms of health and energy levels, which all admitted were waning as they aged:

Peter: Ten years ago I had much more energy than I've got today so the determination to get up at 5 o'clock in the morning and, sort of, go anywhere and do anything to make the thing work...you know, I was less inclined to do that.

Ruth: I think with my age I'm not as active as what I was, or could be if I was younger. So I can't do everything, and I got tired easily. Just time wise and health wise, I should be a lot fitter than I am to do it properly.

Concluding discussion

This paper has sought to facilitate greater understanding of the nature of older entrepreneurship and the unique challenges that such entrepreneurs face. We find that, for some older individuals, entrepreneurship can become a vehicle for escape from an employed career which rewarded motivation based primarily upon financial needs. With the social and financial capital that can come from a successful career in employment, the individuals used self-employment to focus more upon their need for personal fulfillment and self-actualisation. This focus has an impact on the type of business started, employment, growth and the financial performance of the business.

This study therefore provides new insights into the motivations of an important group of older entrepreneurs, which we term '*privileged entrepreneurs*': those who are in the privileged position of choosing personally fulfilling entrepreneurial activity. The insights from this study have implications for the development of more finely tuned policies and support mechanisms that recognise the heterogeneous range of motivations, needs and goals of older entrepreneurs. It adds to our understanding of entrepreneurial motivation in terms of the broader and more subjective motivations that lie beyond purely financial reward. The study also has implications for employers in terms of better understanding of why they are losing valuable older employees because of a lack of personal fulfilment.

These findings provide an interesting counterpoint to Levesque and Minniti's (2006) suggestion that entrepreneurial activity for older individuals is restricted by the opportunity cost of time. They argue that as an individual gets older, they become less willing to invest energy in activities such as founding a new business, which involve both risk and deferred gratification (in terms of not producing instant financial returns). However, amongst our participants the sense of nearing the end of their working lives acted as a spur to action. This is a different type of 'push' to entering self-employment to those commonly discussed in the emerging literature of older entrepreneurs. Further, socially constructed notions of a standardised retirement age are somewhat arbitrary and disconnected from the specific circumstances of an individual. While our participants did acknowledge physical effects of ageing and perceived a relative loss in energy levels, they also made it very clear that a budding entrepreneur

over 50 years old has ample time and a long, fulfilling working future ahead of them.

What is needed in the longer term is for these older entrepreneurs and others like them to challenge stereotypes about old age and socially constructed definitions of the 'right' time to retire through their entrepreneurial ventures. There is a need to support individual agency and claims for legitimacy through the identification of role-models or mentors, to support older entrepreneurs to free themselves from the constraints of discrimination and exclusion. Case studies such as these suggest alternative ways of constructing old age, new opportunities and new challenges for older people.

However, caution is needed in generalising from the experiences of these 'privileged entrepreneurs'. Many older people facing a lack of fulfilment in paid employment may also experience discrimination, exclusion and marginalisation such that they cannot enter self-employment unproblematically. Our findings demonstrate the importance of accumulated experience as well as forms of social and financial capital. We term these individuals privileged entrepreneurs because such beneficial experiences, networks and financial security are rare. There are more significant risks for older people who, for example, lack financial capital and risk facing significant shortfalls in their pensions or having to secure paid employment in a difficult labour market in order to pay debts resulting from a failed business.

Although there is growing interest in older entrepreneurs, most existing studies have been based upon quantitative or secondary data. While these studies have made a valuable contribution to our understanding of older entrepreneurs, they are of limited help in understanding the complexities and heterogeneous nature of entrepreneurial activity among older individuals. In particular, very few previous studies have differentiated and focused specifically on mature first-time entrepreneurs, i.e. those who found a business for the first time after the age of 50, despite this group being potentially the most important in terms of the demographic shift in the working population. By focusing specifically on this group and using detailed case studies, this paper provides a more nuanced understanding of the motivations and challenges of older entrepreneurs that will inform future policy development, support mechanisms and academic research agendas.

References

- Beehr, T.A. and Bennett, M.M. (2015) "Working after retirement: Features of bridge employment and research directions" *Work, Aging and Retirement* 1(1), pp.112-128.
- Botham, R. and Graves, A. (2009) "The grey economy: How third age entrepreneurs are contributing to growth," *Nesta*, August 2009.
- Bruner, J.S. (1990) *Acts of Meaning*. Harvard University Press: Cambridge, Mass.
- Cahill, K.E., Giandrea, M.D., Quinn, J.F. (2006) "Retirement patterns from career employment". *Gerontologist*, 46(4), pp.514–523.
- Carsrud, A. and Brannback, M. (2011) "Entrepreneurial motivations: what do we still need to know?" *Journal of Small Business Management*, 49(1), pp.9-26.
- Chiu, W.C.K., Chan, A.W., Snape, E. and Redman, T. (2001) "Age stereotypes and discriminatory attitudes towards older worker: An east–west comparison". *Human Relations*, 54(5), pp.629–661.
- Clarke, J. and Holt, R. (2010) "The mature entrepreneur: a narrative approach to entrepreneurial goals" *Journal of management Enquiry*, 19(1), pp.69-83.
- Curran, J. and Blackburn, R. (2001) "Older people and the enterprise society: Age and self-employment propensities" *Work Employment and Society*, 15(4), 889–902.
- Davies, B and Harré, R. (1991) 'Positioning: the discursive production of self', *Journal for the Theory of Social Behaviour*. Vol. 20 (1): pp. 43-63.
- Dini, E. (2009) "Older workers in the UK: Variations in economic activity status by socio-demographic characteristics, household and caring commitments." *Population Trends* 137. London: Office for National Statistics
- Ekerdt, D.J. (2010) "Frontiers of research on work and retirement." *Journal of Gerontology: Social Sciences*, 65B(1), pp. 69-80.
- Freedman, M. (2007) *Encore: Finding work that matters in the second half of life*. New York: Public Affairs.
- Gough, B. and Edwards, G. (1998) "The beer talking: four lads, a carry out and the reproduction of masculinities", *The Sociological Review*. pp. 409-435.
- Gould, R. (2006) "Choice or chance – late retirement in Finland." *Social Policy & Society*, 5(4), pp. 519-531.
- Green, S.G, Welsh, M.A. and Dehler, G.E. (2003) "Advocacy, performance, and threshold influences on decisions to terminate new product development" *Academy of Management Journal*, 46(4), pp.419-434.
- Hatak, I., Harms, R. and Fink, M. (2015) "Age, job identification, and entrepreneurial intention" *Journal of Management Psychology*, 30(1), pp.38-53.

- Henley, A. (2007) "Entrepreneurial aspiration and transition into self-employment: evidence from British longitudinal data" *Entrepreneurship and Regional Development* 19, pp.253-280.
- Hennekam, S. (2015) "Challenges of older self-employed workers in creative industries: The case of the Netherlands" *Management Decision*, 53(4), pp.876-891.
- Johnson, R.W. (2009) "Employment opportunities at older ages: Introduction to the special issue." *Research on Aging*, 31(3), pp.3-16.
- Kautonen, T. (2008) "Understanding the older entrepreneur: Comparing third age and prime age entrepreneurs in Finland." *International Journal of Business Science and Applied Management*, 3(3), pp.3-13.
- Kautonen, T., Down, S. and South, L. (2008). "Enterprise support for older entrepreneurs: The case of PRIME in the UK". *International Journal of Entrepreneurial Behaviour and Research*, 14(2), pp.85-101.
- Kautonen, T., Down, S. and Minniti, M. (2014) "Ageing and entrepreneurial preferences." *Small Business Economics*, 42(3), pp.579- 594.
- Kerr, G. and Armstrong-Stassen, M. (2011) "The Bridge to retirement: older workers' engagement in post-career entrepreneurship and wage-and-salary employment" *The Journal of Entrepreneurship*, 20(1), pp.55-76.
- Kibler, E., Wainwright, T., Kautonen, T. and Blackburn, R. (2011). (Work)Life after work: understanding barriers to older entrepreneurship in London. Paper presented at the *56th Annual ICSB World Conference*; 15 - 18 June 2011, Stockholm, Sweden.
- Levesque, M., & Minniti, M. (2006). "The effect of aging on entrepreneurial behaviour". *Journal of Business Venturing*, 21(2), pp.177-194.
- Loretto, W. and Vickerstaff, S. (2011) "The relationship between gender and age." In Parry, E. and Tyson, S. (eds) *Managing an age diverse workforce*. Houndmills, Basingstoke: Palgrave Macmillan: pp.59-79.
- Loretto, W. and White, P. (2006) "Work, more work and retirement: older workers' perspectives." *Social Policy & Society*, 5(4), pp.495-506.
- McNair, S. (2010) *A sense of a future: a study of training and work in later life*. Leicester: The Nuffield Foundation / NIACE: 144.
- Mallett, O. and Wapshott, R. (2015) "Making sense of self-employment in late career: understanding the identity work of olderpreneurs", *Work, Employment and Society*, 29(2), pp.250-266.
- Neumark, D. (2009) "The Age Discrimination in Employment Act and the challenge of population aging". *Research on Aging*, 31(1), pp.41-68.
- Ogbor, J.O. (2000). "Mythicizing and reification in entrepreneurial discourse: Ideology-critique of entrepreneurial studies." *Journal of Management Studies*, 37(5), pp.605-635.
- Parker, S.C. (2009). *The economics of entrepreneurship*. Cambridge: Cambridge University Press.

- Parry, S.N. (2010) "Smalltalk: Rhetoric of control as a barrier to growth in artisan micro-firms". *International Small Business Journal*, 28(4), pp.378-397.
- Phillipson, C. (1982) *Capitalism and the construction of old age*. London: The MacMillan Press.
- Platman, K. (2004) "Portfolio careers and the search for flexibility in later life", *Work, Employment and Society*, 18(3), pp.573-599.
- Polkinghorne, D.E. (1988) *Narrative Knowing and the Human Sciences*. State University of New York Press: Albany.
- Potter, J. and Wetherell, M. (1987) *Discourse and Social Psychology: Beyond Attitudes and Behaviour*. London: Sage.
- PRIME (2014) "The Missing Million: illuminating the employment challenges of the over 50s". The Prince's Initiative for Mature Enterprise. London Available at www.prime.org.uk.
- Riach, K. (2007) "'Othering' older worker identity in recruitment", *Human Relations*, 60(11), pp.1701-1726.
- Riessman, C. (2008) *Narrative Methods for the Human Sciences*. Sage Publications: Thousand Oaks.
- Singh, G. and DeNoble, A. (2003). "Early retirees as the next generation of entrepreneurs". *Entrepreneurship Theory and Practice*, 23(3), pp.207–226.
- Van Solinge, H. (2014) "Who opts for self-employment after retirement? A longitudinal study in the Netherlands." *European Journal of Ageing*, 11(3), pp. 261-272.
- Wach, D., Stephan, U. and Gorgievski, M. (2015) "More than money: developing an integrative multi-factorial measure of entrepreneurial success" *International Small Business Journal*. Published online before print.
- Wainwright, T., Kibler, E., Blackburn, R., and Kautonen, T. (2011). "Who are you calling old? Revisiting notions of age and ability amongst older entrepreneurs". Paper presented at ISBE 2011 Conference, 9th and 10th November, The Octagon, Sheffield: UK.
- Wang, M., Zhan, Y., Liu, S. and Shultz, K.S. (2008) "Antecedents of bridge employment: a longitudinal investigation". *Journal of Applied Psychology*, 93(4), pp.818–830.
- Weber, P., & Schaper, M. (2004). "Understanding the grey entrepreneur". *Journal of Enterprising Culture*, 12(2), pp.147–164.
- Willig, C. (2003) 'Discourse analysis' in *Qualitative Psychology: A Practical Guide To Research Methods*. Jonathan A. Smith (ed). London: Sage.
- Wood, G., Wilkinson, A. and Harcourt, M. (2008) "Age discrimination and working life: Perspectives and contestations – a review of the contemporary literature." *International Journal of Management Reviews*, 10(4), pp.425-442.

- Zissimopoulos, J.M. and Karoly, L.A. (2007) "Transitions to self-employment at older ages: the role of wealth, health, health insurance and other factors." *Labour Economics*, 14, pp.269–295.
- Zissimopoulos, J.M. and Karoly, L.A. (2009) "Labor-force dynamics at older ages: Movements into self-employment for workers and nonworkers". *Research on Aging* 31(1), pp.89-111.